



Pillsbury Winthrop Shaw Pittman LLP
1540 Broadway | New York, NY 10036-4039 | tel 212.858.1000 | fax 212.858.1500

October 13, 2010

Via Federal Express

Clerk of the Court
United States Bankruptcy Court
Southern District of New York
One Bowling Green
New York, NY 10004-1408
Attn: Vito Genna

Re: *In re Lehman Brothers Holdings Inc., et al.*, Case No. 08-13555 (JMP)

Dear Sir:

Please find attached the Partial Transfer of Claim Other Than for Security dated October 13, 2010 and the Evidence of Transfer of Claim dated October 12, 2010 for claim numbers 66799 and 66800.

The transferor of the claims is Merrill Lynch Credit Products, LLC and the transferee is Stone Lion Portfolio L.P. Evidence of the transfer is being submitted in lieu of submitting the actual agreement, as permitted by the Bankruptcy Rule 3001(e)(2).

In accordance with Rule 3001(e)(2), please notify the transferor, Merrill Lynch Credit Products, LLC, and make the appropriate substitution.

Please feel free to contact me if you have any questions.

Thank you in advance.

Sincerely yours,

Nickolas Karavolas

Encs. (as stated)

B 210A (Form 210A) (12/09)

UNITED STATES BANKRUPTCY COURT

SOUTHERN DISTRICT OF NEW YORK

In re Lehman Brothers Holdings Inc., et al.

Case No. 08-13555 (JMP)
(Jointly Administered)

Debtors.

PARTIAL TRANSFER OF CLAIM OTHER THAN FOR SECURITY

A CLAIM HAS BEEN FILED IN THIS CASE or deemed filed under 11 U.S.C. § 1111(a). Transferee hereby gives evidence and notice pursuant to Rule 3001(e)(2), Fed R. Bankr. P., of the transfer, other than for security, of the claim referenced in this evidence and notice.

Stone Lion Portfolio L.P.

Name of Transferee

Merrill Lynch Credit Products, LLC

Name of Transferor

Name and Address where notices to transferee should be sent:

Court Claim #: 66799 (15.625% of claim)

Claim Amount: \$64,000,000.00

Amount Transferred: \$10,000,000.00

Date Claim Filed: 6/7/10 (amended claim)

Stone Lion Portfolio L.P.
461 Fifth Avenue, 14th Floor
New York, NY 10017

Phone: 212-843-1225

Last Four Digits of Acct #: _____

Name and Address where transferee payments should be sent (if different from above):

Phone: _____

Last Four Digits of Acct #: _____

I declare under penalty of perjury that the information provided in this notice is true and correct to the best of my knowledge and belief.

By: _____

Transferee/Transferee's Agent

Claudia Borg
General Counsel

Date: 10/13/10

Penalty for making a false statement: Fine of up to \$500,000 or imprisonment for up to 5 years, or both. 18 U.S.C. §§ 152 & 3571.

Stone Lion Portfolio L.P.
Stone Lion Capital Partners L.P., Investment Manager
By: SL Capital Partners LLC, its General Partner
By: Stone Lion Capital LLC, Managing Member

B.210A (Form 210A) (12/09)

UNITED STATES BANKRUPTCY COURT

SOUTHERN DISTRICT OF NEW YORK

In re Lehman Brothers Holdings Inc., et al.

Debtors.

Case No. 08-13555 (JMP)
(Jointly Administered)

PARTIAL TRANSFER OF CLAIM OTHER THAN FOR SECURITY

A CLAIM HAS BEEN FILED IN THIS CASE or deemed filed under 11 U.S.C. § 1111(a).
Transferee hereby gives evidence and notice pursuant to Rule 3001(e)(2), Fed R. Bankr. P., of the
transfer, other than for security, of the claim referenced in this evidence and notice.

Stone Lion Portfolio L.P.

Name of Transferee

Merrill Lynch Credit Products, LLC

Name of Transferor

Name and Address where notices to transferee
should be sent:

Stone Lion Portfolio L.P.
461 Fifth Avenue, 14th Floor
New York, NY 10017

Phone: 212 843-1225

Last Four Digits of Acct #: _____

Court Claim #: 66800 (15.625% of claim)

Claim Amount: \$64,000,000.00

Amount Transferred: \$10,000,000.00

Date Claim Filed: 6/7/10 (amended claim)

Name and Address where transferee payments should be sent (if different from above):

Phone: _____

Last Four Digits of Acct #: _____

I declare under penalty of perjury that the information provided in this notice is true and correct
to the best of my knowledge and belief.

By: [Signature]

Transferee/Transferee's Agent

Claudia Boas
General Counsel

Date: 10/13/10

Penalty for making a false statement: Fine of up to \$500,000 or imprisonment for up to 5 years, or both. 18 U.S.C. §§ 152 & 2671.

Stone Lion Portfolio L.P.
Stone Lion Capital Partners L.P., Investment Manager
By: SL Capital Partners LLC, its General Partner
By: Stone Lion Capital LLC, Managing Member

BOA

Fax 647-999-114

Oct 12 2010 08:24am P003/D04

EXHIBIT B

Evidence of Partial Transfer of Claim


For good and valuable consideration the receipt and sufficiency of which are hereby acknowledged, Merrill Lynch Credit Products, LLC ("Assignor") does hereby unconditionally and irrevocably sell, transfer and assign unto Stone Lion Portfolio L.P. ("Assignee") a pro rata portion to the extent of \$10,000,000.00 (the "Claim") in Assignor's rights, title and interest in and to the allowed claims of Assignor referenced as proof of claim number 66290 (amending proof of claim numbers 27943 and 15734) in the principal amount of \$64,000,000.00 plus all interest, fees and other amounts related thereto against Lehman Brothers Special Financing Inc. (the "Debtor") whose Chapter 11 bankruptcy case is pending in the United States Bankruptcy Court for the Southern District of New York (the "Bankruptcy Court") (or any other court with jurisdiction over the bankruptcy proceedings) related to us In re Lehman Brothers Special Financing Inc., Chapter 11 Case No. 0813828.

Assignor hereby waives any objection to the transfer of the Claim assigned herein (the "Assigned Claim") to Assignee on the books and records of the Debtor and the Bankruptcy Court, and hereby waives to the fullest extent permitted by law any notice or right to a hearing as may be imposed by Rule 3001 of the Federal Rules of Bankruptcy Procedure, the Bankruptcy Code, applicable local bankruptcy rules or applicable law. Assignor acknowledges and understands, and hereby stipulates, that an order of the Bankruptcy Court may be entered without further notice to Assignor transferring to Assignee the Assigned Claim and recognizing the Assignee as the sole owner and holder of the Assigned Claim. Assignor further directs the Debtor, the Bankruptcy Court and all other interested parties that all further notices relating to the Assigned Claim, and all payments or distributions of money or property in respect of the Assigned Claim, shall be delivered or made to the Assignee.

IN WITNESS WHEREOF, dated as of the 12 day of October, 2010.

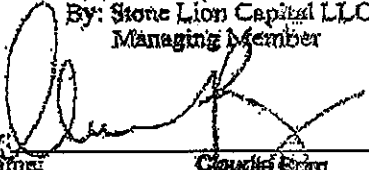
ASSIGNOR:

Merrill Lynch Credit Products, LLC

By: 
Name: Ron Torrey
Title: Director

ASSIGNEE:

Stone Lion Portfolio L.P.
By: Stone Lion Capital Partners L.P.,
Investment Manager
By: SL Capital Partners LLC, its
General Partner
By: Stone Lion Capital LLC,
Managing Member

By: 
Name: Claudia Remy
Title: General Counsel